VZCZCXRO2869 RR RUEHBC RUEHDE RUEHIHL RUEHKUK DE RUEHGB #0002 0020602 ZNY CCCCC ZZH R 020602Z JAN 08 FM AMEMBASSY BAGHDAD TO RUEHC/SECSTATE WASHDC 5070 INFO RUCNRAQ/IRAQ COLLECTIVE

C O N F I D E N T I A L BAGHDAD 000002

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TAGS: ECON EFIN EINV PGOV IZ SUBJECT: COR FIRST DEPUTY SPEAKER ON BUDGET, INVESTMENT

COMMISSION NOMINATION

Classified By: Economic Minister Charles P. Ries for reasons 1.4 (b/d)

- $\underline{\P}1.$  (C) Begin Summary: On December 31, one day following the conclusion of the Council of Representatives (CoR) holiday recess, First Deputy Speaker Khalid Attiyah told EMIN he expects the 2008 federal budget to pass within the next two weeks. Claiming that the CoR had yet to receive from the Council of Ministers (CoM) the nomination for the head of the National Investment Commission, Attiyah indicated he would support an expedited vote in the plenary. On the reallocation of unspent funds allocated to the Ministry of Interior for current expenditures, Attiyah said that he anticipated the measure would be approved, but could not provide details on the exact mechanism. End Summary
- 12. (C) First Deputy Speaker Khalid Attiyah opened his meeting with EMIN by citing the continued absence of Kurdish members. Until January 3, the date of their anticipated return, the CoR most likely would be unable to muster a quorum, he explained. Attiyah said that he believes the Kurdish objections to the 2008 federal budget bill had been resolved, and accordingly predicted the CoR would pass the legislation within two weeks. He could not, however, rule out the emergence of unanticipated obstacles that might jeopardize his prediction. Attiyah clarified that should the budget bill pass prior to the end of the month, the CoR would still remain in session through the end of January, thus providing additional time for consideration of other important legislation, including the de-Baathification reform (Accountability and Justice) legislation.
- 13. (C) EMIN turned to the nomination of Ahmed Ridha for Head of the National Investment Commission and explained the necessity of National Investment Law implementing regulations to attract foreign investment and spur economic growth in Iraq. Attiyah confessed that the CoR had not yet received the nomination from the CoM. He added that the CoR's standard operating procedure for considering nominations to important posts was to hold off voting until a handful were ready to ensure a "balanced composition." Because of the importance of the position, however, Attiyah indicated that he would grant an exception to this policy for Dr. Ridha and have the CoR consider his nomination without undue delay upon receipt from the CoM. If Ahmed Ridha did not have strong party affiliations, his nomination would likely pass smoothly, he concluded.
- 14. (C) Attiyah claimed that the CoR was in general agreement to permit the reallocation of unspent current expenditures for the Ministry of Interior to be reprogrammed to capital expenditure for purchase of equipment under the auspices of the Foreign Military Sales (FMS) program. While he could not provide details concerning the mechanism by which the reprogramming would occur, he seemed confident the measure would pass. CROCKER